

Environment and Climate Change Portfolio - Summary

Performance Summary

1. The Portfolio has a number of performance highlights to report this quarter:

- The County Council has awarded a contract, in partnership with District and Boroughs, to EV infrastructure specialists Connected Kerb to fund, install, market and operate EV charge points across the county. Contract mobilisation is underway with installations expected to start in Spring 2022.
- In the second quarter of 2021/22, the County Council reduced its carbon emissions by 26% compared to 2019/20 levels. For the 2021/22 year to date, total emissions compared to 2019/20 have reduced by 16%.
- £0.357m of grant funding has been secured from Salix to produce Heat Decarbonisation Plans for 50 corporate properties. These will be completed by March 2021, supporting future decarbonisation planning and grant applications.
- The 2021 round of the Solar Together Scheme has been launched with over 7,200 expressions of interest received so far. More than 400 installations have been completed to date from the 2020 round. The 2021 installations will be delivered by local renewable energy businesses.
- A decision was taken to proceed to public consultation on the permanent adoption of the Recycling Centre Booking Scheme; this will commence in November.
- The operation of the Recycling and Waste handling Contract which covers Recycling Centres, the Ford MRF and Transfer Stations has smoothly transitioned from Viridor to Biffa after Biffa complete the acquisition of that part of Viridor's business on the 1st September.
- Phase two of the 1-2-3 kerbside collection trial in partnership with Arun District Council has been launched in parts of Littlehampton town centre; aimed at testing the system with a higher proportion of flatted and multi-occupied residences.
- A new three-year contract (with up to two years extension) contract to collect recycling and waste from 232 schools across the county has been awarded. Schools have the option to opt in or out of the contract; currently, around 80% are opted in.

Our Council Performance Measures

Environment and Climate Change		2021/22 Target	Performance Over The Last 3 Periods			DoT	Performance Analysis	Actions	Year End Forecast
22	Equivalent tonnes (te) of CO2 emissions from WSCC activities (CC) Reporting Frequency: Quarterly, Accumulative. Showing Previous Data Annually	30,521 CO2te	2020/21	Jun-21	Sep-21	↗	Small reductions have been recorded across the heat and power demands of the Estates compared to the previous year, heightened by decreased carbon content of energy imported from the national grid. Changes in our ways of working following Covid-19 remain the primary driver of reductions compared to the baseline year of 2019/20.	Corrections to some emissions data from corporate administration sites are anticipated to take place shortly, which will likely result in a minor increase to recorded Q2 2021/22 emissions. Any changes will be reflected during the next quarterly report.	G
			30,206 CO2te	6,002 CO2te	9,957 CO2te				
23	Household waste recycled, reused or composted (CC) Reporting Frequency: Quarterly, Reported a quarter in arrears.	54.0%	Sep-20	Mar-21	Jun-21	↗	Performance is only marginally under target and strong given the pandemic has generally resulted in elevated household waste volumes. The data used to calculate this rolling annual figure still includes periods during which significant covid-related restrictions on personal mobility were applied. Recycling from the kerbside for quarter 1 2021/22 has decreased slightly from the same period in 2020/21, whereas recycling through our Recycling Centres (RCs) has increased significantly, partly due to the comparison period including spring 2020 when centres were closed for several weeks and the recycling market demand for soil and waste wood has been buoyant, so stockpiles have been run down.	Not applicable.	G
			51.0%	53.1%	53.8%				

[Website link to Our Council Performance Measures here.](#)

Finance Summary

Portfolio In Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
Covid-19 pandemic forecast expenditure/ allocations to third parties (<i>Covid-19 position is reported in Appendix 2</i>)	£0.503m	Assumed funding from Covid-19 grant (<i>Covid-19 position is reported in Appendix 2</i>)	(£0.503m)	
Projected unit price increase on energy tariffs, affecting corporate buildings.	£0.400m	Reduction in waste tonnages	(£0.200m)	
		Increase in recycle income	(£1.300m)	
		Projected underspend on corporate utility usage – (reduced usage within Corporate buildings)	(£0.300m)	
		Estimated additional Solar and Battery Farm income due to an increase in unit prices	(£0.400m)	
Environment & Climate Change Portfolio - Total	£0.900m		(£2.703m)	(£1.800m)

Significant Financial Issues and Risks Arising

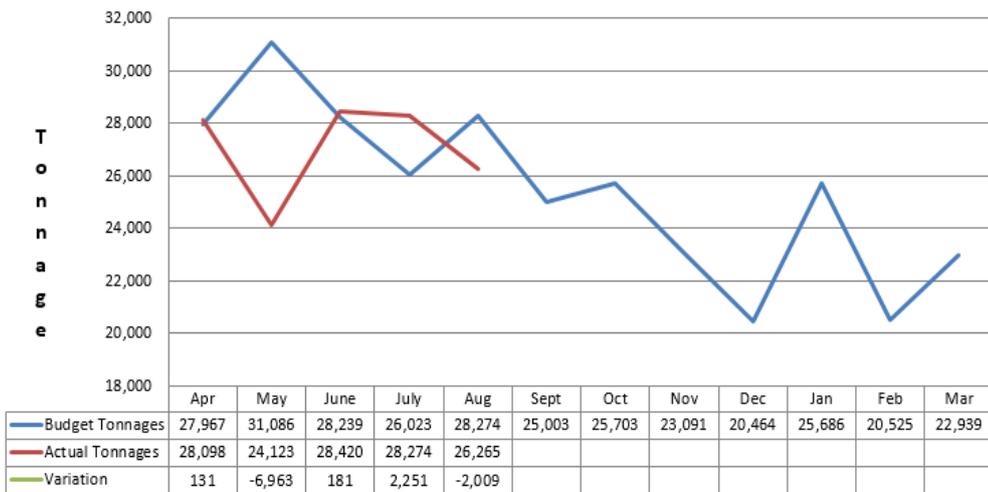
2. There are no significant issues to raise within this section.

Financial Narrative on the Portfolio's Position

3. The Environment and Climate Change Portfolio is currently projecting a £1.8m underspend.
4. Waste volumes at Household Waste Recycling Sites are around 4% below the budgeted tonnage levels so far this year. Adverse weather conditions along with the easing of Government restrictions may have reduced waste producing activities. As at August, the Material Recycling Facility (MRF) has received 3,500 tonnes more waste than planned due to the increase in household waste recycling collected at the kerbside, in part, due to continued home working arrangements. Overall, the waste disposal tonnage volumes are around 4% above budget. Currently, a £0.2m underspending on waste services is projected.
5. Recycling income rates have continued to increase during the second quarter, although it should be noted that this market is volatile in nature and is impacted by global events and uncertainties. Due to the continued increase in the value of recyclable material, a £1.3m increase in income is projected.
6. As most County Council buildings continue to operate with a reduced occupancy, an estimated £0.3m underspend on utilities has been reported.
7. Increases of around 5% on energy prices were estimated for the corporate estate from October 2021, however the actual rises are confirmed as 20% on electricity and 40% on gas. The County Council purchases its energy through the LASER Energy Buying Group, and it is important to note that the hedging strategy adopted by LASER has resulted in an estimated 40% cost avoided on prevailing power prices and estimated 52% on prevailing gas prices. It is expected that the additional increase in energy process will result in a £0.4m pressure.
8. The value of energy sales from our Solar and Battery Storage Farms has been increasing steadily since the latter part of 2020/21 and has seen sharp upward movement during September. At this stage of the year, we are forecasting £0.4m of additional income in this area. Should values continue to increase, income in excess of this figure is likely to be achieved. It is important to note that, corporately, any gain in income from the solar projects could be offset by the increased cost in corporate utilities arising from the higher unit rate.

Cost Driver Information

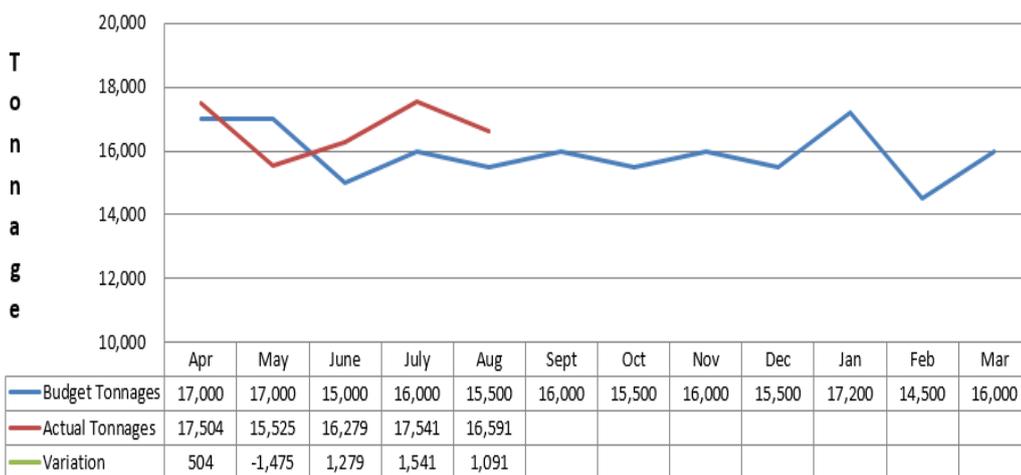
Contract Handling Fee Tonnage (HWRS & Transfer Stations) 2021/22



This graph shows tonnages received at the Household Waste Recycling Sites (HWRS) and Transfer Stations.

The tonnages received to date shows a total reduction of around 4% versus expected for the year to date.

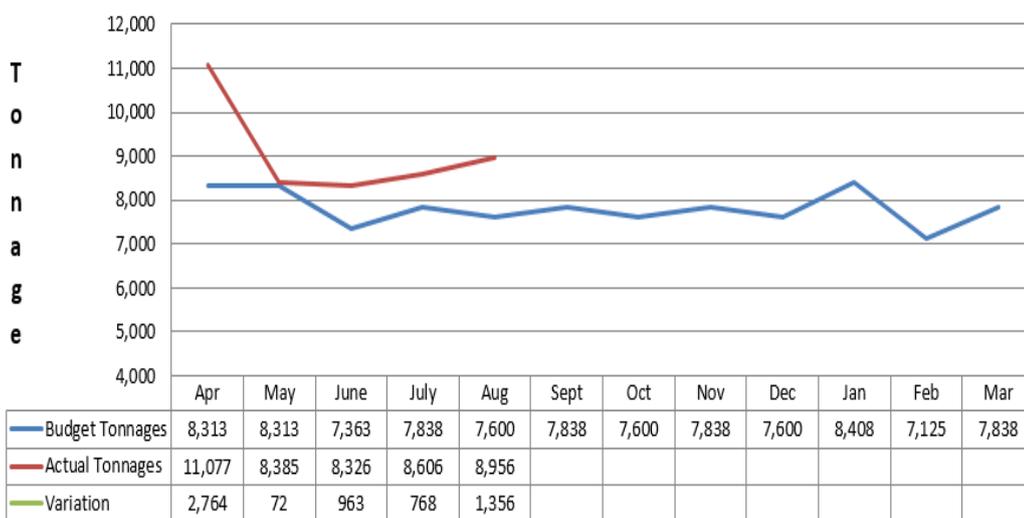
Monthly Tonnage Profile and Actual Waste Entering the MBT and Waste Sent Direct to Landfill 2021/22



Waste is transferred to the Mechanical Biological Treatment Centre (MBT) with a small proportion directly sent to landfill, as the waste is not suitable for treatment through the MBT.

This graph demonstrates tonnes sent to the Warnham Mechanical Biological Treatment site for each month compared to the forecast profile.

Monthly Profile and Actual Waste Tonnage Converted into RDF 2021/22



This graph shows the Refuse Derived Fuel (RDF) production compared to the estimated levels.

RDF levels remain around 15% above expectation during the early part of the year but significantly lower than the late 2020/21 levels of around 35%.

Savings Delivery Update

9. The portfolio has a number of 2021/22 savings included within the budget. Details of these savings are included in the table below:

Saving Activity	2021/22 Savings £000	September 2021		Narrative	2022/23
Review Countryside Fees and Charges	20	20	G		G
Community support for the mobile Household Waste Recycling Sites (HWRS)	50	50	G		B
Restructure of Waste Prevention budgets	128	128	B		B
Restructure of Electricity Budget	190	190	B		B
Development of battery storage site	100	100	A	The development of Halewick Lane is unlikely to yield the expected income this financial year, however other smaller projects are expected to mitigate this delay in income.	G
Charge for monitoring travel plans	50	50	G	New charge unlikely to deliver additional income until 22/23 due to timescales associated with developer agreements. Shortfall is currently mitigated through over-achievement of other planning income within the budget.	G
Review of agency staff	2	2	B	Saving is now on track to be made following the easing of Covid-19 restrictions in July.	B

Savings Key:

R Significant Risk
 A At Risk
 G On Track
 B Delivered

Capital Programme

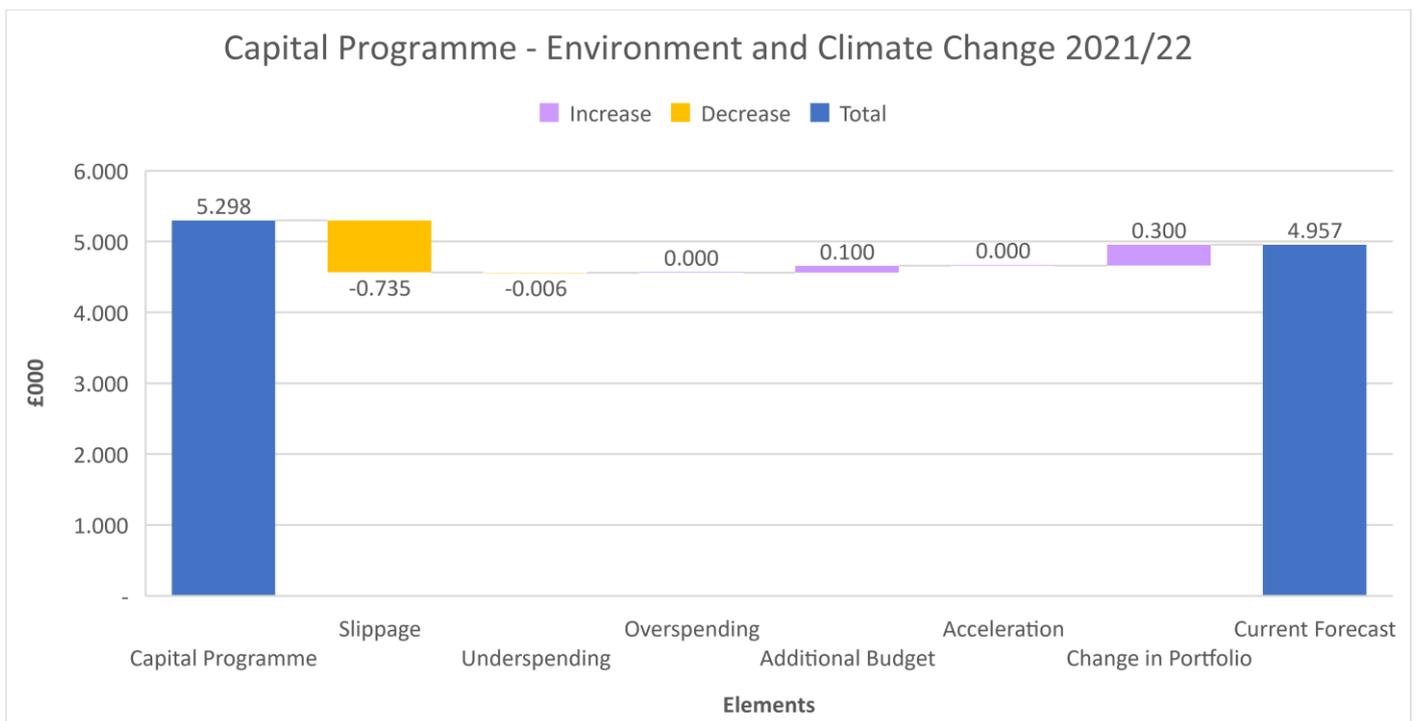
Performance Summary - Capital

10. There are eight schemes within this portfolio; five of the schemes in delivery are rated green, indicating that the project is reporting to plan. Three are rated amber, indicating that there is an issue but that it could be dealt with by the project manager or project delivery team. An update on the progress of the schemes not rated green are detailed in the table below:

Scheme	RAG Status at 30th September	Reason	RAG Status at 13th October	Updated Position
Battery and Solar Storage Programme Design	AMBER	No tender submission for the consultancy support required for the Baystone Farm project were received.	AMBER	Currently considering options for an open procurement method (this may delay the appointment of contractors).
Schools Solar PV Installation	AMBER	Rectification of quality issues caused by one installer has caused some disruption to the programme.	AMBER	Remedial works in hand and compensation being sought. An alternative delivery route is being developed.
Waste – Fairbridge Site Japanese Knotweed	AMBER	Remediation delayed due to technical issues procuring provider.	GREEN	Contract awarded and initial eradication work now completed.

Finance Summary - Capital

- The capital programme; as approved by County Council in February 2021, agreed a programme totalling £4.613m for 2021/22. £0.685m of expenditure, originally profiled to spend in 2020/21, was slipped into 2021/22, revising the capital programme to £5.298m.
- Since this time, the profiled spend has decreased overall by £0.341m, to give a current year end projection for 2021/22 of £4.957m. Of this decrease, -£0.735m relates to slippage, -£0.006m relates to underspending within current projects, £0.300m relates to a change in portfolio responsibility and £0.100m relates to additional funding; specifically, additional government grant.



13. Details of the movements of the financial profiling within the capital programme are as follows:

- **Slippage: (-£0.735m)**

- **Your Energy Sussex Schools Solar Programme– £0.571m.** The projects within this programme which are attached to PFI schools require a longer lead-in time than initially expected due to third party governance processes. These projects are unlikely to be completed this financial year which has moved the plan into 2022/23. The projects remain on course to deliver the benefits identified.
- **Your Energy Sussex Battery Storage – £0.128m.** The Baystone Farm and Watery Lane projects have been reprofiled into 2022/23 following a project review. Both projects remain on course to complete and deliver the benefits identified.

- **Underspending: (-£0.006m)**

- **Your Energy Sussex – Bird Protection– £0.006m.** This project is close to completion with a small underspending identified. The underspend will go back into the Your Energy Sussex programme to fund future schemes.

- **Additional Budget: £0.100m**

- **Flood Management - £0.100m.** A project has been approved to deliver an upstream flood attenuation scheme in Angmering as part of the Flood Management programme of works. The whole project is fully funded by external sources with £0.2m from an Environment Agency grant and £0.1m from Section 106 developer contributions. £0.1m of the grant received is expected to be utilised in 2021/22.

- **Change in Portfolio: £0.300m**

- **Operation Watershed – £0.300m.** Portfolio responsibilities for operation Watershed have moved from Highways and Infrastructure to Environment and Climate Change.

14. The latest Capital Programme Budget Monitor is reported in **Appendix 4**.

Risk

15. There are no corporate risks assigned to this portfolio. Risks allocated to other portfolios are specified within the respective appendices of this report. Further detail on all risks can be found in **Appendix 5** - Corporate Risk Register.